

Panaji, 17th February, 1977 (Magha 28, 1898)

SERIES I No. 47

# OFFICIAL GAZETTE



## GOVERNMENT OF GOA, DAMAN AND DIU

### GOVERNMENT OF GOA, DAMAN AND DIU

Education and Public Works Department

Directorate of Education

#### ORDER

DE/Accts/CPF/1/71/25545

Read: Govt. Order No. DE/Sec/32/66/21848 dated 25-3-1971.

The following modifications to rule 2 and 31 (iv) attached to the abovementioned order, regarding Triple Benefit Scheme in non-Govt. Secondary Schools, are issued with the prior concurrence of Ministry of Finance, Govt. of India, as conveyed by the Ministry of Education and Social Welfare (Dept. of Education), Govt. of India, New Delhi vide their letter No. A.38017/8/76-UT-I (Sch. 6), dated 21-12-1976.

Rule 2: — "These rules shall apply to all categories of teachers employed on a permanent basis in recognised primary, middle, high and higher Secondary Schools which are in receipt of grant-in-aid from Government or a local body".

Rule 31(iv): — "Service in a post, on which no grant-in-aid is available from Govt. or a local body and for which the teacher is paid out of pupils fund or development fees, does not qualify for pension".

By order and in the name of the Administrator of Goa, Daman and Diu.

W. Shaiza, Director of Education and Additional Secretary to Govt. of Goa, Daman and Diu.

Panaji, 5th February, 1977.

#### Law and Judiciary Department

#### Notification

LD/631/76/77

The following Order which was issued by the Government of India on 21-1-1977 is hereby republished for general information of the public.

B. S. Subbanna, Under Secretary (Law).

Panaji, 9th February, 1977.

### MINISTRY OF HOME AFFAIRS

#### ORDER

New Delhi, the 21st January 1977

S. O. 34(E). — In exercise of the powers conferred by rule 4 of the Defence and Internal Security of India Rules, 1971, the Central Government hereby directs —

- that no power conferred or duty imposed upon the State Government by rule 11, 14, 31-A, 69 or 71 of the said rules, shall with effect from the 23rd January, 1977, be exercised or discharged by any State Government or by any officer or authority authorised in that behalf by the State Government, except with the previous approval of the Central Government;
- that no action in relation to any alleged contravention of rule 11, 14, 31-A, 43, 69 or 71 of the said rules, including orders made thereunder, shall, with effect from the 23rd January, 1977 be taken by any State Government or any officer or authority subordinate to the State Government, except with the previous sanction of the Central Government;
- that no order made under the rule 11, 14, 31-A, 69 or 71 of the said rules before the 23rd January, 1977 shall be continued after the 31st of January, 1977, except in accordance with such instructions as the Central Government may give to the State Government in this behalf.

By Order and in the name of the President.

[No. II/16011/9/77-S&P(D. II)]

R. L. MISRA, Jt. Secy.

#### Notification

LD/614/76/77

The following ordinances which were promulgated by the President of India on 16-6-1976 are hereby republished for general information of the public.

B. S. Subbanna, Under Secretary (Law).

Panaji, 7th February, 1977.

## MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS

(Legislative Department)

*New Delhi, the 16th June, 1976/  
Jyaishta 26, 1898 (Saka)*

THE MAINTENANCE OF INTERNAL SECURITY  
AMENDMENT ORDINANCE, 1976

No. 5 of 1976

Promulgated by the President in the Twenty-seventh  
Year of the Republic of India.

An Ordinance further to amend the Maintenance of  
Internal Security Act, 1971.

Whereas Parliament is not in session and the  
President is satisfied that circumstances exist which  
render it necessary for him to take immediate action;

Now, Therefore, in exercise of the powers con-  
ferred by clause (1) of article 123 of the Constitution,  
the President is pleased to promulgate the following  
Ordinance: —

1. *Short title and commencement.* — (1) This  
Ordinance may be called the Maintenance of Internal  
Security (Amendment) Ordinance, 1976.

(2) It shall come into force at once.

2. *Amendment of Act 26 of 1971.* — In section 16A  
of the Maintenance of Internal Security Act, 1971  
(hereinafter referred to as the principal Act), in  
sub-section (1), for the words "twelve months", the  
words "twenty-four months" shall be substituted.

3. *Removal of doubts.* — For the removal of  
doubts, it is hereby declared that every declaration  
made under section 16A of the principal Act before  
the commencement of this Ordinance and in force  
immediately before such commencement shall have  
effect as if the amendment made in that section by  
this Ordinance had been in force on and from the  
29th day of June, 1975.

FAKHRUDDIN ALI AHMED,  
*President.*

K. K. SUNDARAM  
Secy. to the Govt. of India.

*New Delhi, the 16th June, 1976/  
Jyaishta 26, 1898 (Saka)*

THE CONSERVATION OF FOREIGN EXCHANGE  
AND PREVENTION OF SMUGGLING ACTIVITIES  
(AMENDMENT) ORDINANCE, 1976

No. 6 of 1976

Promulgated by the President in the Twenty-seventh  
Year of the Republic of India.

An Ordinance further to amend the Conservation  
of Foreign Exchange and Prevention of Smuggling  
Activities Act, 1974.

Whereas Parliament is not in session and the Pre-  
sident is satisfied that circumstances exist which  
render it necessary for him to take immediate action;

Now, Therefore, in exercise of the powers confer-  
red by clause (1) of article 123 of the Constitution,  
the President is pleased to promulgate the following  
Ordinance: —

1. *Short title and commencement.* — (1) This  
Ordinance may be called the Conservation of Foreign  
Exchange and Prevention of Smuggling Activities  
(Amendment) Ordinance, 1976.

(2) It shall come into force at once.

2. *Amendment of Act 52 of 1974.* — In section 12A  
of the Conservation of Foreign Exchange and Pre-  
vention of Smuggling Activities Act, 1974 (herein-  
after referred to as the principal Act), in sub-sec-  
tion (1), for the words "twelve months", the words  
"twenty-four months" shall be substituted.

3. *Removal of doubts.* — For the removal of  
doubts, it is hereby declared that every declaration  
made under section 12A of the principal Act before  
the commencement of this Ordinance and in force  
immediately before such commencement shall have  
effect as if the amendment made in that section by  
this Ordinance had been in force on and from the  
1st day of July, 1975.

FAKHRUDDIN ALI AHMED,  
*President.*

K. K. SUNDARAM,  
Secy. to the Govt. of India.

## Notification

LD/616/76/77

The following Ordinance which was promulgated  
by the President of India on 17-7-1976 is hereby  
republished for general information of the public.

B. S. Subbanna, Under Secretary (Law).

Panaji, 7th February, 1977.

## MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS

(Legislative Department)

*New Delhi, the 17th July, 1976/  
Asadha 26, 1898 (Saka)*

THE LABOUR PROVIDENT FUND LAWS  
(AMENDMENT) ORDINANCE, 1976

No. 9 of 1976

Promulgated by the President in the Twenty-  
seventh Year of the Republic of India.

An Ordinance further to amend the Coal Mines  
Provident Fund, Family Pension and Bonus Schemes  
Act, 1948, the Employees' Provident Funds  
and Family Pension Fund Act, 1952, the Wealth-  
tax Act, 1957 and the Income-tax Act, 1961.

Whereas Parliament is not in session and the President is satisfied that circumstances exist which render it necessary for him to take immediate action;

Now, Therefore, in exercise of the powers conferred by clause (1) of article 123 of the Constitution, the President is pleased to promulgate the following Ordinance:—

## CHAPTER I

### Preliminary

1. *Short title and commencement.*—(1) This Ordinance may be called the Labour Provident Fund Laws (Amendment) Ordinance, 1976.

(2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. *Acts 46 of 1948, 19 of 1952, 27 of 1957 and 43 of 1961 to be temporarily amended.*—During the period of operation of this Ordinance, the Coal Mines Provident Fund, Family Pension and Bonus Schemes Act, 1948 (hereinafter referred to as the Coal Mines Act), the Employees' Provident Funds and Family Pension Fund Act, 1952 (hereinafter referred to as the Employees' Provident Funds Act), the Wealth-tax Act, 1957 and the Income-tax Act, 1961, shall have effect subject to the amendments specified in section 3 to 37.

## CHAPTER II

### Amendment of the Coal Mines Provident Fund, Family Pension and Bonus Schemes Act, 1948

3. *Amendment of long title.*—In the long title to the Coal Mines Act, after 46 of 1948, the words "Family Pension Scheme", the words "a Deposit-linked Insurance Scheme" shall be inserted.

4. *Amendment of section 1.*—For sub-section (1) of section 1 of the Coal Mines Act, the following sub-section shall be substituted, namely:—

"(1) This Act may be called the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948."

5. *Amendment of section 2.*—In section 2 of the Coal Mines Act,—

(i) in clause (c), after the words "Coal Mines Provident Fund Scheme", the words "or the Insurance Scheme, as the case may be", shall be inserted;

(ii) after clause (f), the following clauses shall be inserted, namely:—

"(fa) "Insurance Fund" means the Deposit-linked Insurance Fund established under sub-section (2) of section 3G;

(fb) "Insurance Scheme" means the Coal Mines Deposit-linked Insurance Scheme Framed under sub-section (1) of section 3G;"

(iii) clause (ff) shall be re-lettered as clause (fc);

(iv) in clause (g), the words "or, as the case may be, the Insurance Fund" shall be inserted at the end.

6. *Amendment of section 3A.*—In section 3A of the Coal Mines Act,—

(a) in sub-section (3), after the word, figure and letter "section 3E", the words figure and letter "and section 3G" shall be inserted;

(b) in sub-section (4), for the words, "and the Coal Mines Family Pension Scheme", the words "the Coal Mines Family Pension Scheme and the Insurance Scheme" shall be substituted.

7. *Amendment of section 3C.*—In sub-section (3) of section 3C of the Coal Mines Act, for the words "and the Coal Mines Family Pension Scheme", the words "the Coal Mines Family Pension Scheme and the Insurance Scheme", shall be substituted.

8. *Insertion of new section 3G.*—After section 3F of the Coal Mines Act, the following section shall be inserted, namely:—

### "3G. Coal Mines Deposit-linked Insurance—

(1) The Central Government may, by notification in the Official Gazette, frame a scheme to be called the Coal Mines Deposit-linked Insurance Scheme for the purpose of providing life assurance benefits to such employees as are covered by the Coal Mines Provident Fund Scheme.

(2) There shall be established, as soon as may be, after the framing of the Insurance Scheme, a Deposit-linked Insurance Fund into which shall be paid by the employer from time to time in respect of every such employee, in relation to whom he is the employer, such amount, not being more than one per cent. of the aggregate of the basic wages, dearness allowance and retaining allowance (if any) for the time being payable in relation to such employee as the Central Government may, by notification in the Official Gazette, specify.

*Explanation.*—For the purposes of this sub-section—

(a) the expression "basic wages" has the meaning assigned to it in the Employees' Provident Funds and Miscellaneous Provisions Act, 1952; 19 of 1952.

(b) "dearness allowance" means all cash payments, by whatever name called, paid to an employee on account of a rise in the cost of living and shall be deemed to include also the cash value of any food concession allowed to the employee;

(c) "retaining allowance" means an allowance payable for the time being to an employee of any coal mine during any period in which the coal mine is not working for retaining his services.

(3) The Central Government shall, after due appropriation made by Parliament by law, contribute to the Insurance Fund in relation to each employee covered by the Coal Mines Provident Fund Scheme, an amount representing one-half of the contribution which an employer is required, by sub-section (2), to make.

(4) (a) The employer shall pay into the Insurance Fund such further sums of money, not exceeding one-fourth of the contribution which he is required to make under sub-section (2), as the Central Government may, from time to time, determine to meet all the expenses in connection with

the administration of the Insurance Scheme other than the expenses towards the cost of any benefits provided by or under that Scheme.

(b) The Central Government shall, after due appropriation made by Parliament by law, pay into the Insurance Fund such further sums of money representing one-half of the sums payable by the employer under clause (a), to meet all the expenses in connection with the administration of the Insurance Scheme other than the expenses towards the cost of any benefits provided by or under that Scheme.

(5) The Insurance Fund shall vest in the Board and shall be administered by the Board in such manner as may be specified in the Insurance Scheme.

(6) Any scheme framed under the provisions of sub-section (1) may provide for all or any of the matters specified in the Third Schedule.

(9) *Amendment of section 5.* — In sub-section (2) of section 5 of the Coal Mines Act, for the words "Third Schedule", the words "Fourth Schedule" shall be substituted.

10. *Amendment of section 7.* — In section 7 of the Coal Mines Act, after the words "amend or vary", the words "either prospectively or retrospectively" shall be inserted.

11. *Amendment of section 7A.* — In section 7A of the Coal Mines Act, for the words "two successive sessions, and if, before the expiry of the session in which it is so laid or the session immediately following", the words "two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid" shall be substituted.

12. *Amendment of section 8.* — In sub-section (3) of section 8 of the Coal Mines Act, after the words "Coal Mines Family Pension Scheme", the words "and also in relation to any amount payable under the Insurance Scheme" shall be inserted.

13. *Amendment of section 10.* — In sub-section (1) of section 10 of the Coal Mines Act, after the words "Coal Mines Provident Fund Scheme", the words "or the Insurance Scheme" shall be inserted.

14. *Amendment of section 10E.* — In sub-section (1) of section 10E of the Coal Mines Act, for the words and brackets "The amount of contribution (that is to say the employer's contribution as well as the employee's contribution)", the words and brackets "The amount of contribution (that is to say the employer's contribution as well as the employee's contribution in pursuance of the Coal Mines Provident Fund Scheme and the employer's contribution in pursuance of the Insurance Scheme)" shall be substituted.

15. *Insertion of new sections 11C and 11D.* — After section 11B of the Coal Mines Act, the following sections shall be inserted, namely:—

11C. *Power to exempt.* — (1) The Central Government may, if requested so to do by the employer, by notification in the Official Gazette, and subject to such conditions as may be specified in the notification, exempt any coal mine from the

operation of all or any of the provisions of the Insurance Scheme, if it is satisfied that the employees of such coal mine are, without making any separate contribution or payment of premium, in enjoyment of benefits in the nature of life assurance, whether linked to their deposits in provident fund or not, and such benefits are more favourable to such employees than the benefits admissible under the Insurance Scheme.

(2) Without prejudice to the provisions of sub-section (1), the Insurance Scheme may provide for the exemption of any person or class of persons employed in any coal mine and covered by that scheme from the operation of all or any of the provisions thereof, if the benefits in the nature of life assurance admissible to such person or class of persons are more favourable than the benefits provided under the Insurance Scheme.

(3) Where, in respect of any person or class of persons employed in any coal mine, an exemption is granted under this section from the operation of all or any of the provisions of the Insurance Scheme (whether such exemption is granted to the coal mine wherein such person or class of persons is employed or to the person or class of persons as such), the employer in relation to such coal mine—

(a) shall, in relation to the benefits in the nature of life assurance, to which any such person or class of persons is entitled, or any insurance fund, maintain such accounts, submit such returns, make such investment, provide for such facilities for inspection and pay such inspection charges, as the Central Government may direct;

(b) shall not, at any time after the exemption without the leave of the Central Government, reduce the total quantum of benefits in the nature of life assurance to which any such person or class of persons was entitled immediately before the date of the exemption; and

(c) shall, where any such person leaves his employment and obtains re-employment in any other coal mine, transfer within such time as may be specified in this behalf by the Central Government, the amount of accumulations to the credit of that person in the insurance fund of the coal mine left by him to the credit of that person's account in the insurance fund of the coal mine in which he is re-employed or, as the case may be, in the Deposit-linked Insurance Fund.

*Explanation.* — For the purposes of this sub-section "insurance fund" means any fund established by an employer under any scheme for providing benefits in the nature of life assurance to employees, whether linked to their deposits in provident fund or not, without payment by the employees of any separate contribution or premium in that behalf.

(4) Any exemption granted under this section may be cancelled by the authority which granted it, by order in writing, if an employer fails to comply,—

(a) in the case of an exemption granted under sub-section (1), with any of the conditions imposed under that sub-section or with any of the provisions of sub-section (3);

(b) in the case of an exemption granted under sub-section (2), with any of the provisions of sub-section (3).

(5) Where any exemption granted under sub-section (1) or sub-section (2) is cancelled, the amount of accumulations to the credit of every employee to whom such exemption applied, in the insurance fund of the coal mine in which he is employed shall be transferred within such time and in such manner as may be specified in the Insurance Scheme to the credit of his account in the Insurance Fund.

11D. *Act to have effect notwithstanding anything contained in Act 31 of 1956.* — The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in the Life Insurance Corporation Act, 1956.

16. *Insertion of new Third Schedule.* — The Third Schedule to the Coal Mines Act shall be re-numbered as the Fourth Schedule and before the Fourth Schedule as so re-numbered, the following Schedule shall be inserted, namely: —

**"THE THIRD SCHEDULE"**

(See section 3G)

**Matters to be provided for in the Coal Mines Deposit-linked Insurance Scheme**

1. The employees or class of employees who shall be covered by the Insurance Scheme.

2. The manner in which the accounts of the Insurance Fund shall be kept and the investment of moneys belonging to the Insurance Fund, subject to such pattern of investment as may be determined, by order, by the Central Government.

3. The form in which an employee shall furnish particulars about himself and the members of his family whenever required.

4. The nomination of a person to receive the assurance amount due to the employee after his death and the cancellation or variation of such nomination.

5. The registers and records to be maintained in respect of employees, the form or design of any identity card, token or disc for the purpose of identifying any employee or his nominee or member of family entitled to receive the assurance amount.

6. The scales of assurance amount which shall not be less than the average balance in the account of the employee concerned in the Insurance Fund during a period of three years immediately preceding his death or more than rupees ten thousand.

7. The minimum average balance to be maintained by an employee in the provident fund to make him eligible for the benefits under the scheme.

8. The manner in which the amount due to the nominee or the member of the family of the employee under the scheme is to be paid including a provi-

sion that the amount shall not be paid otherwise than in the form of a deposit in a savings bank account, in the name of such nominee or member of family, in any bank specified in the First Schedule to the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970.

5 of 1970.

9. Any other matter which is to be provided for in the Insurance Scheme or which may be necessary or proper for the purpose of implementing that scheme."

**CHAPTER III**

**Amendment of the Employees' Provident Funds and Family Pension Fund Act, 1952**

17. *Amendment of long title.* — In the long title to the Employees' Provident Funds Act, for the words "and family pension fund", the words "family pension fund and deposit-linked insurance fund" shall be substituted.

18. *Amendment of section 1.* — For sub-section (1) of section 1 of the Employees' Provident Funds Act, the following sub-section shall be substituted, namely: —

"(1) This Act may be called the Employees' Provident Funds and Miscellaneous Provisions Act, 1952."

19. *Amendment of section 2.* — In section 2 of the Employees' Provident Funds Act, —

(a) in clause (c), the words "or, as the case may be, the Insurance Scheme" shall be inserted at the end;

(b) in clause (ff), after the words "a Scheme", the words "or the Insurance Scheme, as the case may be," shall be inserted;

(c) in clause (fff), after the words "any Scheme", the words "or the Insurance Scheme, as the case may be" shall be inserted;

(d) clause (ia) shall be re-lettered as clause (ic) and before clause (ic) as so re-lettered, the following clauses shall be inserted, namely: —

(ia) "Insurance Fund" means the Deposit-linked Insurance Fund established under sub-section (2) of section 6C;

(ib) "Insurance Scheme" means the Employees' Deposit-linked Insurance Scheme framed under sub-section (1) of section 6C;

(e) in clause (j), the words "or, as the case may be, the Insurance Fund" shall be inserted at the end.

20. *Amendment of section 5A.* — In section 5A of the Employees' Provident Funds Act, —

(a) in sub-section (3), after the word, figure and letter "section 6A", the words, figure and letter "and section 6C" shall be inserted;

(b) in sub-section (4), for the words "and the Family Pension Scheme", the words "the Family Pension Scheme and the Insurance Scheme" shall be substituted.

21. *Amendment of sections 5D and 5E.*—In sub-section (3) of section 5D, and section 5E, of the Employees' Provident Funds Act, for the words "and the Family Pension Scheme", the words "the Family Pension Scheme and the Insurance Scheme" shall be substituted.

22. *Insertion of new section 6C.*—After section 6B of the Employees' Provident Funds Act, the following section shall be inserted, namely:—

**'6C. Employees' Deposit-linked Insurance Scheme.**—(1) The Central Government may, by notification in the Official Gazette, frame a scheme to be called the Employees' Deposit-linked Insurance Scheme for the purpose of providing life assurance benefits to such employees as are covered by any Scheme.

(2) There shall be established, as soon as may be after the framing of the Insurance Scheme, a Deposit-linked Insurance Fund into which shall be paid by the employer from time to time in respect of every such employee in relation to whom he is the employer, such amount, not being more than one per cent. of the aggregate of the basic wages, dearness allowance (if any) for the time being payable in relation to such employee as the Central Government may, by notification in the Official Gazette, specify.

*Explanation.*—For the purposes of this sub-section, the expressions "dearness allowance" and "retaining allowance" have the same meaning as in section 6.

(3) The Central Government shall, after due appropriation made by Parliament by law, contribute to the Insurance Fund in relation to each employee covered by the Scheme an amount representing one-half of the contribution which an employer is required, by sub-section (2), to make.

(4)(a) The employer shall pay into the Insurance Fund such further sums of money, not exceeding one-fourth of the contribution which he is required to make under sub-section (2), as the Central Government may, from time to time, determine to meet all the expenses in connection with the administration of the Insurance Scheme other than the expenses towards the cost of any benefits provided by or under that scheme.

(b) The Central Government shall, after due appropriation made by Parliament by law, pay into the Insurance Fund such further sums of money representing one-half of the sums payable by the employer under clause (a) to meet all the expenses in connection with the administration of the Insurance Scheme other than the expenses towards the cost of any benefits provided by or under that Scheme.

(5) The Insurance Fund shall vest in the Board and be administered by it in such manner as may be specified in the Insurance Scheme.

(6) The Insurance Scheme may provide for all or any of the matters specified in Schedule IV.

(7) The Insurance Scheme may provide that any of its provisions shall take effect either prospectively or retrospectively on such date as may be specified in this behalf in that Scheme.'

23. *Amendment of section 7.*—In sub-section (1) of section 7 of the Provident Funds Act, for the words "amend or vary the Scheme or the Family Pension Scheme, as the case may be," the words "amend or vary, either prospectively or retrospectively the Scheme, the Family Pension Scheme or the Insurance Scheme, as the case may be" shall be substituted.

24. *Amendment of section 7A.*—In sub-section (1) of section 7A of the Employees' Provident Funds Act, after the words "Family Pension Scheme", the words "or the Insurance Scheme" shall be inserted.

25. *Amendment of section 8.*—In clause (a) of section 8 of Employees' Provident Funds Act,—

(a) for the word "Scheme", wherever it occurs, the words "Scheme or the Insurance Scheme" shall be substituted;

(b) for the words "the Fund", the words "the Fund or, as the case may be, the Insurance Fund" shall be substituted.

26. *Amendment of section 8A.*—In section 8A of the Employees' Provident Funds Act,—

(a) in sub-section (1), for the words and brackets "The amount of contribution (that is to say the employer's contribution as well as the employee's contribution)", the words and brackets "The amount of contribution (that is to say the employer's contribution as well as the employee's contribution in pursuance of any Scheme and the employer's contribution in pursuance of the Insurance Scheme)" shall be substituted;

(b) in sub-section (2), after the words "employee's contribution", the words "under any Scheme" shall be inserted.

27. *Amendment of section 10.*—In sub-section (3) of section 10 of the Employees' Provident Funds Act, after the words "Family Pension Scheme", the words "and also in relation to any amount payable under the Insurance Scheme" shall be inserted.

28. *Amendment of section 11.*—In section 11 of the Employees' Provident Funds Act,—

(a) in clause (a),—

(i) for the word "Scheme", in both the places where it occurs, the words "Scheme or the Insurance Scheme" shall be substituted;

(ii) after the words "the Fund", the words "or, as the case may be, the Insurance Fund" shall be inserted;

(b) in clause (b), for the words "the provident fund", in both the places where they occur, the words "the provident fund or any insurance fund" shall be substituted;

(c) the following Explanation shall be inserted at the end, namely:—

*Explanation.*—In this section and in section 17, "insurance fund" means any fund established by an employer under any scheme for providing benefits in the nature of life assurance to employees, whether linked to their deposits in provident fund or not, without payment by the employees of any separate contribution or premium in that behalf.'



29. *Amendment of section 12.* — In section 12 of the Employees' Provident Funds Act, —

(a) for the word "Scheme", wherever it occurs, the words "Scheme or the Insurance Scheme" shall be substituted;

(b) for the words "or provident fund", the words, "provident fund or life assurance" shall be substituted.

30. *Amendment of sections 13, 14 and 14A.* — In section 13, section 14 and section 14A of the Employees' Provident Funds Act, for the words "the Family Pension Scheme", wherever they occur, the words "the Family Pension Scheme or the Insurance Scheme" shall be substituted.

31. *Amendment of section 17.* — In section 17 of the Employees' Provident Funds Act, —

(a) after sub-section (2), the following sub-sections shall be inserted, namely: —

"(2A) The Central Government may, if requested so to do by the employer, by notification in the Official Gazette, and subject to such conditions as may be specified in the notification, exempt any establishment from the operation of all or any of the provisions of the Insurance Scheme, if it is satisfied that the employees of such establishment are, without making any separate contribution or payment of premium, in enjoyment of benefits in the nature of life assurance, whether linked to their deposits in provident fund or not, and such benefits are more favourable to such employees than the benefits admissible under the Insurance Scheme.

(2B) Without prejudice to the provisions of sub-section (1), the Insurance Scheme may provide for the exemption of any person or class of persons employed in any establishment and covered by that scheme from the operation of all or any of the provisions thereof, if the benefits in the nature of life assurance admissible to such person or class of persons are more favourable than the benefits provided under the Insurance Scheme."

(b) after sub-section (3), the following sub-section shall be inserted, namely: —

"(3A) Where, in respect of any person or class of persons employed in any establishment, an exemption is granted under sub-section (2A) or sub-section (2B) from the operation of all or any of the provisions of the Insurance Scheme (whether such exemption is granted to the establishment wherein such person or class of persons is employed or to the person or class of persons as such), the employer in relation to such establishment —

(a) shall, in relation to the benefits in the nature of life assurance, to which any such person or class of persons is entitled, or any insurance fund, maintain such accounts, submit such returns, make such investments, provide for such facilities for inspection and pay such inspection charges, as the Central Government may direct;

(b) shall not, at any time after the exemption without the leave of the Central Government, reduce the total quantum of benefits in the nature of life assurance to which any such person or class of persons was entitled

immediately before the date of the exemption; and

(c) shall, where any such person leaves his employment and obtains re-employment in any other establishment to which this Act applies, transfer within such time as may be specified in this behalf by the Central Government, the amount of accumulations to the credit of that person in the insurance fund of the establishment left by him to the credit of that person's account in the insurance fund of the establishment in which he is re-employed or, as the case may be, in the Deposit-linked Insurance Fund."

(c) in sub-section (4), after clause (b), the following clauses shall be inserted, namely: —

"(c) in the case of an exemption granted under sub-section (2A), with any of the conditions imposed under that sub-section or with any of the provisions of sub-section (3A);

(d) in the case of an exemption granted under sub-section (2B), with any of the provisions of sub-section (3A).";

(d) in sub-section (5), —

(i) for the words, brackets and figure "or sub-section (2)", the words, brackets, figures and letter "sub-section 2, sub-section (2A) or sub-section (2B)" shall be substituted;

(ii) for the words "or the family pension fund", the words "the family pension fund or the insurance fund" shall be substituted;

(iii) after the words "Family Pension Scheme, the words "or the Insurance Scheme" shall be inserted;

(iv) after the words "Family Pension Fund", the words "or the Insurance Fund" shall be inserted.

32. *Insertion of new section 17B.* — After section 17A of the Employees' Provident Fund Act, the following section shall be inserted, namely: —

"17B. Act to have effect notwithstanding anything contained in Act 31 of 1956. — The provisions of this Act shall have effect notwithstanding anything inconsistent therewith contained in the Life Insurance Corporation Act, 1956."

33. *Amendment of section 18.* — In section 18 of the Employees' Provident Funds Act, the words "or the Insurance Scheme" shall be inserted at the end.

34. *Amendment of section 19.* — In section 19 of the Employees' Provident Funds Act, in the opening paragraph, for the words "the Family Pension Scheme", the words "the Family Pension Scheme or the Insurance Scheme" shall be substituted.

35. *Insertion of new Schedule IV.* — After Schedule III to the Employees' Provident Funds Act, the following Schedule shall be inserted, namely: —

#### "SCHEDULE IV

(See section 6C)

#### Matters to be provided for in the Employees' Deposit-linked Insurance Scheme

1. The employees or class of employees who shall be covered by the Insurance Scheme.

2. The manner in which the accounts of the Insurance Fund shall be kept and the investment of moneys belonging to the Insurance Fund subject to such pattern of investment as may be determined, by order, by the Central Government.

3. The form in which an employee shall furnish particulars about himself and the members of his family whenever required.

4. The nomination of a person to receive the assurance amount due to the employee after his death and the cancellation or variation of such nomination.

5. The registers and records to be maintained in respect of employees, the form or design of any identity card, token or disc for the purpose of identifying any employee or his nominee or member of family entitled to receive the assurance amount.

6. The scales of assurance amount which shall not be less than the average balance in the account of the employee concerned in the Insurance Fund during a period of three years immediately preceding his death or more than rupees ten thousand.

7. The minimum average balance to be maintained by an employee in the provident fund to make him eligible for the benefits under the scheme.

8. The manner in which the amount due to the nominee or the member of the family of the employee under the scheme is to be paid including a provision that the amount shall not be paid otherwise than in the form of a deposit in a savings bank account, in the name of such nominee or member of family, in any bank specified in the First Schedule to the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970. 5 of 1970.

9. Any other matter which is to be provided for in the Employees' Deposit-linked Insurance Scheme or which may be necessary or proper for the purpose of implementing that Scheme."

#### CHAPTER IV

#### Amendment of the Wealth-tax Act, 1957 and the Income-tax Act, 1961

36. *Amendment of Act 27 of 1957.*—In the Wealth-tax Act, 1957, in sub-section (1) of section 5, after

clause (xviiib), the following clause shall be inserted, namely:—

"(xviiiba) any property held—

(a) by the Board of Trustees constituted under the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948, on behalf of the Deposit-linked Insurance Fund established under section 3G of that Act; or 46 of 1948.

(b) by the Board of Trustees constituted under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, on behalf of the Deposit-linked Insurance Fund established under section 6C of the Act;" 19 of 1952

37. *Amendment of Act 43 of 1961.*—In the Income-tax Act, 1961,—

(a) in section 10, in clause (25), after sub-clause (iv), the following sub-clause shall be inserted, namely:—

"(v) any income received—

(a) by the Board of Trustees constituted under the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948, on behalf of the Deposit-linked Insurance Fund established under section 3G of that Act; or 46 of 1948.

(b) by the Board of Trustees constituted under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, on behalf of the Deposit-linked Insurance Fund established under section 6C of that Act;" 19 of 1952.

(b) in section 17, in clause (2), in sub-clause (v), after the words "superannuation fund", the words, figures and letters "or a Deposit-linked Insurance Fund established under section 3G of the Coal Mines Provident Fund and Miscellaneous Provisions Act, 1948, or, as the case may be, section 6C of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952" shall be inserted. 46 of 1948. 19 of 1952.

FAKHRUDDIN ALI AHMED,  
President.

K. K. SUNDARAM,  
Secy. to the Govt. of India.